

Florida Supreme Court Office of Inspector General



Annual Audit Plan for the Florida State Courts System Fiscal Year 2020-2021

June 30, 2020

June 18, 2020

The Honorable Charles T. Canady
Chief Justice
Florida Supreme Court
500 South Duval Street
Tallahassee, Florida 32399-1925

Dear Chief Justice Canady:

In accordance with Section 20.055, Florida Statutes, the Office of Inspector General has prepared the audit plan for fiscal year 2020-2021. A risk assessment was performed to include broad coverage of programs and functions, and includes input received from executive and senior management. The audit plan is designed to respond to changing conditions and emerging risks as needed.

The annual and long-term audit plans are included on the following pages. With your approval, to include any applicable travel, we will implement the audit plan and provide a copy to the Florida Office of the Auditor General.

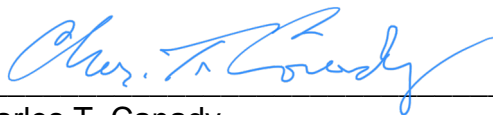
We look forward to working with management of the State Courts System in implementing the audit plan and thank you for your continued support.

Respectfully,

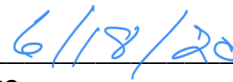


Millicent Burns, CPA, CIA, CFE, CGFM, CISA, CIG
Inspector General

Approved by:



Charles T. Canady
Chief Justice
Florida Supreme Court



Date

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Introduction

The Office of Inspector General (OIG) is established pursuant to Section 20.055, Florida Statutes, to provide a central point for the coordination of, and responsibility for, activities that promote accountability, integrity, and efficiency in the State Courts System.

The OIG fulfills these responsibilities by conducting independent and objective engagements designed to add value and improve the programs and operations of the State Courts System. This is accomplished through internal audits, management reviews and other consulting activities. Other responsibilities of the OIG are to:

- Conduct financial, compliance, electronic data processing, and performance audits and prepare audit reports of the findings.
- Review the actions taken by the State Courts System to improve program performance, meet program standards and make recommendations for improvement.
- Conduct, supervise, or coordinate other activities carried out by the State Courts System for the purpose of promoting economy and efficiency in the administration of, or preventing and detecting fraud and abuse in, its programs and operations.
- Recommend corrective action concerning fraud, abuses, and deficiencies, and report on the progress made in implementing corrective action.
- Ensure effective coordination and cooperation between the Auditor General, federal auditors and other governmental bodies with a view toward avoiding duplication.

As required by Florida Statutes, the OIG conducts engagements in accordance with the International Standards for the Professional Practice of Internal Auditing (*Standards*).

Risk Assessment Methodology

Section 20.055, Florida Statutes, requires the Inspector General to develop long-term and annual audit plans based on the findings of periodic risk assessments. The *Standards* Section 2010, Planning, states the plan of engagements must be based on a documented risk assessment, undertaken at least annually.

The objective of developing an audit plan is to identify and plan for an assessment of program areas utilizing a risk-based approach. Identification of projects using this methodology allows for enhanced efficiency in the planned work. The priority is to provide the maximum benefit to the State Courts System using available audit resources.

We utilized qualitative and quantitative data to assess risk and rank potential audit topics. To perform the risk assessment, we:

- Identified the major auditable units of the State Courts System
- Surveyed senior management regarding their perspectives on risk
- Reviewed results of prior audits, including the level and number of findings and the time elapsed since the prior audit
- Assessed various financial impacts of the auditable units
- Evaluated the complexity of operations of each auditable unit
- Identified any recent significant changes or new initiatives within each auditable unit
- Reviewed the significance of each auditable entity to the core mission of the State Courts System
- Reviewed legislation impacting State Courts System operations
- Assessed the impact of current conditions on the auditable units¹

¹ The current and potential ongoing impacts of the COVID-19 pandemic were considered in assessing potential audit topics for the fiscal year. Consideration was also given to direction provided in administrative orders issued in this area.

Using the results of this risk assessment, we developed the audit plan for fiscal year 2020-2021, including the long-term audit plan.

Resource Allocation

Positions allocated to the OIG consist of an Inspector General, a Senior Internal Auditor, and an Administrative Assistant. For the Inspector General and the Senior Internal Auditor, the total direct hours available for audits, consulting activities, and other management requests is calculated at 2,950.

These available hours are after consideration of administrative hours for staff including estimated leave, state holidays, staff training, complaint processing, investigations and other oversight activities. Planned resource allocation is detailed in the table below.

Resource Allocation for Fiscal Year 2020-2021	
Category	Planned Hours
Planned Audits	2,150
Carry Forward Audits	300
Follow-Up Activities	200
Management Requests and Consulting Engagements	300
Total Allocated Hours:	2,950

Audit Plan for Fiscal Year 2020-2021

Based on the results of the risk assessment and available staff resources, the following projects are included in the audit plan. This plan is subject to change based on needs of the State Courts System, the direction of the Chief Justice, changing risks and management requests.

Planned Topic
District Courts of Appeal and Judicial Circuit Courts²
COVID-19 Expenditures³
Office of Human Resources - Payroll⁴
Fixed Capital Outlay⁵
Information Technology Security
Data Agreements
Audit Follow-Up
Judges' Conferences Financial Reporting
Performance Measures
Management Requests and Consulting Engagements

Complaint Processing and Investigations

The OIG receives complaints and will process or refer them to the appropriate oversight authority as applicable. Investigations will be conducted as warranted based on viability of complaints received and/or from sources external or internal to the State Courts System.

² District Court of Appeal and Judicial Circuit Court audits to be decided as conditions warrant. Other assignments may be substituted as needed

³ Topic to consist of ongoing monitoring and audits as needed

⁴ Carry forward audit from FY 2019-20

⁵ Carry forward audit from FY 2019-20

Long-Term Audit Plan

Below are the planned topics included on the long-term audit plan (covering fiscal years 2021-2022 and 2022-2023.) These topics will be evaluated annually based on risk assessment procedures conducted to ensure that emerging risks impacting the State Courts System are adequately addressed.

Long-Range Projects
District Courts of Appeal and Judicial Circuit Courts ⁶
Office of Human Resources
Grants Administration
Purchasing Cards
Court Revenues
Property Management
Travel Reimbursements
Uniform Data Reporting
Due Process Contracts
Audit Follow-Up
Judges' Conferences Financial Reporting

⁶ Court audits are included on each annual audit plan

The mission of the Office of Inspector General is to perform engagements designed to add value and support the efficiency and effectiveness of the State Courts System

